# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

STARRED QUESTION NO:747
ANSWERED ON:17.05.2002
TRANSPORT SUBSIDY TO EXPORTERS
ARUN KUMAR

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) the amount of transport subsidy provided to the exporters of rice and wheat during each of the last three years;

(b) whether the Government have received any complaints regarding large scale diversion of rice procured by traders from FCI at BPL prices for export purpose in the open market;

(c) if so, the details thereof; and

(d) the corrective steps taken by the Government to check this diversion and also the misuse of transport subsidy given to the exporters?

## Answer

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION ( SHRI SHANTA KUMAR )

(a),(b),(c)&(d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c)&(d) OF STARRED QUESTION NO.747 DUE FOR ANSWER O 05-2002 IN THE LOK SABHA.

(a): The rates at which foodgrains are offered for export are ex-FCI port godowns/ port town rail-heads. The exporters of rice and wheat are reimbursed transportation charges upto port towns by the shortest railway route, when stocks are lifted by exporters themselves from inland godowns of FCI, on production of necessary documents. Detailed information about the expensesactually reimbursed by FCI is not readily available. It may, however, be clarified that the export of wheat from the Central Pool had commenced with effect from November, 2000. FCI was permitted to offer rice from the Central Pool for the purpose of export in February, 2001.

(b),(c)&(d): Some press reports about diversion of rice meant for export in Haryana have appeared recently. An inquiry has been instituted to ascertain facts.

A news item captioned `Transport subsidy for rice exporters stopped` had also appeared in the Economic Times in its issue dated the 15th January, 2002. On receipt of allegations about malpractices in the export of rice from the Central Pool, the reimbursement of transport expenses was suspended. The matter was examined and thereafter the reimbursement of transport expenses was restored with additional safeguards.